

FISCAL YEAR 2003-04 BUDGET REVIEW PROCESS

The budget process begins in November of each fiscal year, when all City departments begin preparation of their budget proposals for the upcoming fiscal year. Budget requests are reviewed by the Budget Review Team (consisting of the Assistant City Manager and the Finance and Administrative Services Director) and City Manager.

The budget is first presented to the City Council in May in the form of a Narrative Budget Report and then formally at public hearings in June. The budget is then adopted at a City Council meeting. This process complies with the procedures required in the City Charter for adoption of the annual budget. The annual City budget must be adopted prior to July 1, the beginning of each fiscal year.

Given the unusual economic circumstances of the current fiscal year and the severity of the budget shortfall projected for fiscal year 2003-04, a study session was held on April 15 for the General Operating Fund to preliminarily discuss the concepts being considered for the Fiscal Year 2003-04 budget.

The table below is a condensed time line for the entire budget process.

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| November | Departments prepare budget proposals for the upcoming fiscal year. |
| December | Departments submit budget requests to the Budget Review Team and the Capital Outlay Committee. |
| December-February | The Capital Outlay Committee meets with departments and reviews the department requests. The City Manager and the Budget Review Team meet with departments, review department budgets and develop recommendations. |
| February | Mid-Year Budget Report presented to City Council. |
| March | City Council annual goal-setting process – Part I. |
| April | Review of the Five-Year Capital Improvement Program. General Operating Fund Budget study session for Fiscal Year 2003-04 budget balancing concepts. Review and approval of the Community Development Block Grant (CDBG) funds. City Council goal setting process – Part II. |
| May | Capital Improvement Program study session and adoption. Special and Utility Funds Budget Report and General Operating Fund (follow-up) study session. Adoption of annual goals. |
| June | Proposed budget and Five-Year Forecast presented to Council, public hearings and final budget adoption. |